GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Agriculture Department - Buffer Stocks - Nomination of Andhra Pradesh State Cooperative Marketing Federation Limited (AP MARKFED) as Nodal Agency for procurement & preposition of the fertilizers for the years 2017-18, 2018-19 & 2019-20 – orders –issued.

AGRICULTURE AND COOPERATION (AGRI.III) DEPARTMENT

G.O.RT.No. 209 **Dated: 06-04-2017**

Read the following:-

1. From the Managing Director, A.P. MARKFED, Hyderabad letter No.Ferti/C&DA/2016-17, Dt. 16-01-2017.
2. From the Director, Agriculture, A.P. Guntur, Lr.No.1 Fert(2)27/2015, dt. 04-02-2017.

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O R D E R:-

The Director of Agriculture, Hyderabad vide letter read above has informed that the A.P. MARKFED, Hyderabad is being nominated as Nodal Agency for procurement, pre-positioning and distribution of fertilizers from the year 2008-09 onwards. Fertilizers were made available to the farmers on time, from out of the buffer stocks maintained by AP MARKFED at each district point as per the indicated buffer target and its distribution through its co-operative societies network, helped the state to achieve the targeted food production besides avoiding hardship to farmers whenever there was a gap in regular fertilizer supplies by the manufactures / importers due to various problems viz., logistics, heavy rains & cyclones, non-availability of Railway rakes for Fertilizer Movement.

2. The Director of Agriculture, A.P., Guntur has requested the Government to consider the requests of AP MARKFED and arrange to issue orders nominating AP MARKFED as nodal agency for three (3) years.

3. Government after careful examination of the above proposal hereby nominate the AP MARKFED as Nodal Agency of the Government of Andhra Pradesh for procurement, pre-positioning and distribution of fertilizers for three (3) years from the agriculture year 2017-18 as per the following terms and subject to meeting the expenditure within the BE Provision.

i) To maintain buffer stocks of 2.00 lakh MTs (viz., 0.25 lakh MT of DAP, 0.25 lakh MT of Complexes and 1.50 lakh MT of Urea) by AP MARKFED, as per the district-wise buffer levels indicated by the Director of Agriculture.

ii) Government permit the AP MARKFED to raise loans up to Rs.500.00 crores (Rupees five hundred crores only) from banks / financial institutions for procurement, buffer maintenance and distribution of fertilizers;

iii) Government will reimburse the interest accrued on the bank loans availed by AP Markfed for the year 2017-18 on quarterly basis or till liquidation of the stocks procured and till clearance of all loans raised for the above purpose;

iv) Government will reimburse the cost of incidental charges such as insurance, handling, storage and transportation etc., for the year 2017-18 and till the stocks are liquidated;

v) Government will protect the AP MARKFED and PACS in the event of downward revision of Fertilizer Prices by Government of India / Fertilizer Companies.

vi) Government will bear the loss arising out of damage of stocks / forming of stock into lumps / deformation & discoloring of bags due to longer storage in the buffer. The damaged stock renders unacceptable by societies & other retailers under general pricing terms compelling to sell at much reduced prices.

4. The Director of Agriculture, A.P., Guntur / The Managing Director, A.P.MARKFED, Hyderabad shall take further necessary action, in the matter.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

B. RAJSEKHAR,
SPECIAL CHIEF SECRETARY TO GOVERNMENT(AGRI)(FAC).

To
The Director of Agriculture, A.P., Old Mirchi Yard,
Chuttugunta, Guntur.
The Managing Director, A.P.MARKFED, Hyderabad.
Copy to:
The P.S. to Spl. C.S. (Agri)(FAC).
Sf/Sc.

// FORWARDED :: BY ORDER //

SECTION OFFICER.